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SIPDIS SENSITIVE STATE FOR EAP/ANP - DAN RICCI

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SUBJECT: A PUBLIC INDISCRETION RAISES QUESTIONS OF INTERNAL DIVISIONS IN THE LABOUR-LED GOVERNMENT

REF: Wellington 220 05 Wellington 58.

 $\P 1$ . (SBU) A new public attack by one Labour minister on another could be a sign of increasing internal division in Prime Minster Helen Clark's Government.

A public display of dissent.

12. (SBU) That the Minister of State Dover Samuels broke ranks with a cabinet colleague over a matter of policy is not a bombshell in itself. Rather, it is that he revealed he did so publicly and during an interview with The Independent, a business weekly. In the interview, Samuels said that at a recent caucus meeting he strongly challenged the propriety of Conservation Minister Chris Carter in using his veto powers to block court approval of the development of a long-anticipated marina development in the north of New Zealand. Because Carter based his veto decision on marine preservation, Samuels' remarks called into question the government's oceans policy and its commitment to economic development as well as its respect for judicial authority.

Minister broke the golden rule.

13. (SBU) In publicly questioning his party on a political decision, Samuels, a senior Minister, broke the convention of collective responsibility. This requires all Cabinet ministers to publicly uphold all Cabinet decisions, even if they oppose them. Since Clark took charge of the Labour Party in 1993, she has always demanded unity in her MPs' public utterances. Since coming to power in 1999, this convention has become all the more sacrosanct.

Not the first time Labour's laundry has been publicly aired.

- 14. (SBU) Samuels was quick to back track, albeit rather awkwardly, on his statement. Realizing that he erred in taking his concerns public, he tried hard to portray solidity with Carter and diffuse any notion of a schism within Labour ranks. The episode does, however, evoke another public expression of discord within Labour by own of its own.
- 15. (SBU) Still fresh in the memory of many is former Labour MP John Tamihere's infamous interview within an investigatory magazine in which he launched into a vitriolic and deeply personal attack on some of his Labour colleagues(ref B). This caused much embarrassment to Labour and led to Tamihere, once considered as a possible party leader, to leave parliament. The question now is whether Samuels' outburst was a single incident or signs of strains within Labour that are beginning to come to the surface.

Samuels' remarks unlikely to make a difference in themselves.

16. (SBU) Samuels holds Associate Ministerial roles in a number of different policy areas but he does not command much, if any, real influence or authority in any one of them. As a Maori, Samuels' influence within Labour comes with his strong identification with the Maori-arm of the party. That is where he is most valued by Clark, although even then there are more influential Maori Labour MPs in front of him. His opinion on matters of economic development, judicial, or oceans policy is unlikely to carry much weight within his caucus. Samuels has also had some misadventures, notably having to relieve himself in an Auckland hotel hallway after being unable to open his door. This results in other parties not taking Samuels too seriously. Nonetheless, he is still a cabinet minister who publicly contested the decision of another. This alone guarantees media coverage, and thus -- close on the heels of cabinet minister David Parker's resignation (ref A) -- another embarrassment for the Government. It also makes some analysts question whether Clark's ship of state is springing some leaks in its third term in office.